

EXHIBIT A

From: Young, Holland [ABIA]

Sent: Tuesday, March 31, 2020 4:53 PM CDT

To: Harbinson, Shane <Shane.Harbinson@austintexas.gov>

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Subject: AEP Strategic Assessment

Attachment(s): "Strategic Assessment AUS AEP March 2020 v2.pdf"

Shane, we have previously sent assessments for Phase A and Phase B projects. That analysis is integrated into this assessment with Phase C and overall strategic recommendations. Please advise any questions or comments on this. Thanks, Holland.

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Strategic Assessment

Airport Expansion Program

Assessment of Program Impacts and Opportunities in
Response to the COVID-19 Global Pandemic

March 31, 2020



- **Overview of Event Implications**
- **Approach to Strategic Assessment**
- **Strategic Program Realignment**
 - Phase A Projects
 - Phase B Projects
 - Phase C Projects
- **Summary and Recommendations**

This analysis has been prepared to address implications of the COVID-19 global pandemic on the Airport Expansion Program (AEP) for Austin-Bergstrom International Airport.

While the event continues to unfold, it is anticipated that there will be lower air travel demand in the near term, and the AEP should be strategically realigned to provide improvements on an as-needed basis.

Preliminary recommendations on program realignment are provided herein, and these should be revisited as the extent of the event becomes better known and as air travel demand begins to return to pre-2020 levels.

Event Implications



▪ **Current state (March 31, 2020)**

- Passenger activity leading up to event was strong and facility requirements were six years ahead of Master Plan projections
- Activity trends have continued to decline as the event has unfolded
- Local, regional, national and global transportation systems have all but ceased to operate

▪ **Factors not yet known**

- Floor of activity levels establishing a new baseline
- Duration of event
- Future rates of growth, near and long term

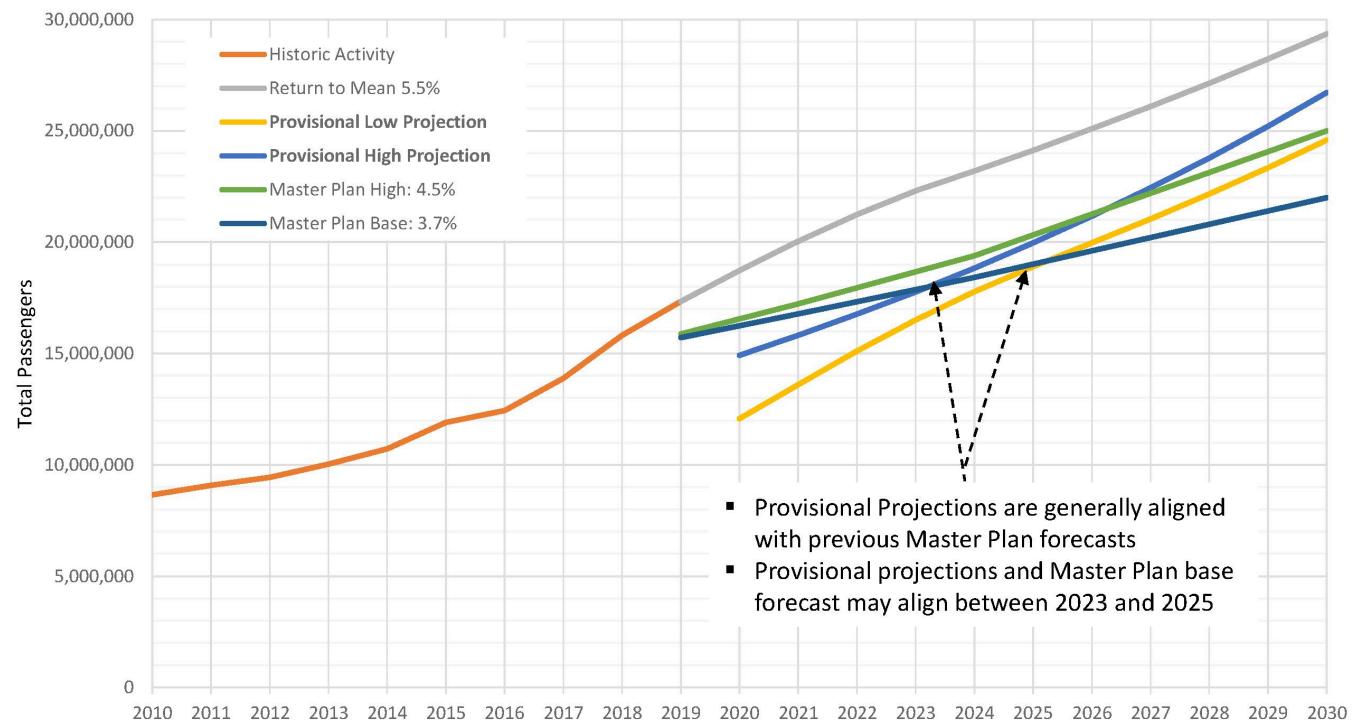
▪ **Approach to strategic assessment**

- Establish a framework to monitor activity levels and future facility requirements
- Adjust provisional growth rates based on actual data and unfolding conditions (monthly for 2020, annual after 2020)
- Evaluate both incremental (operational) and longer term (paradigm shifts) to aeronautical passenger activity
- Establish facility development triggers that will drive the timing and scope of airport improvements



Event Implications

- A “Return To Mean” projection was the previous baseline for program planning
- The global pandemic will have the effect of establishing a lower baseline for growth
- A provisional high and low projection has been generated for analysis purposes
- With a lower baseline, the provisional projections indicate that AUS passenger activity will reach Master Plan base forecast levels prior to 2026 (perhaps as early as 2023) and will subsequently exceed the Master Plan forecast
- Projections should be revisited as the event impact subsides and periodically thereafter

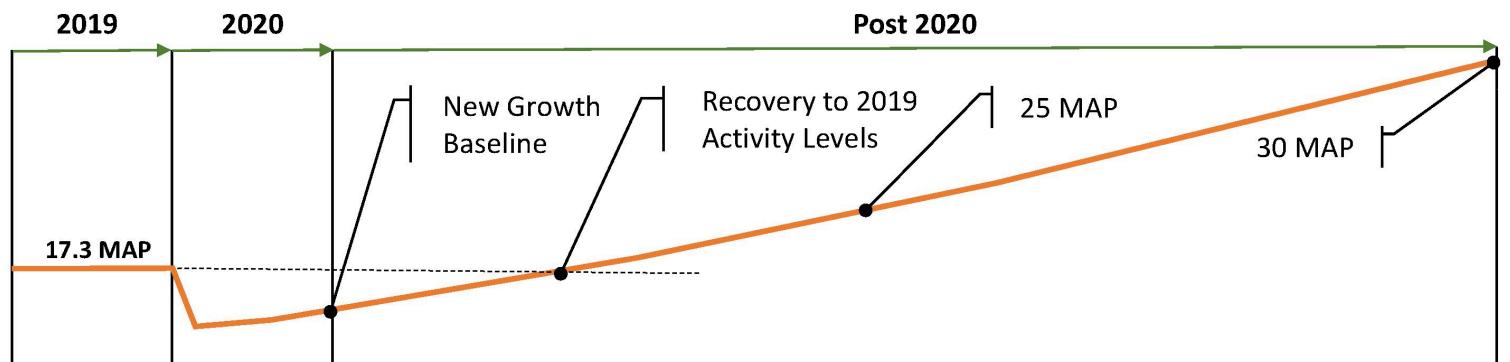


- Provisional Projections are generally aligned with previous Master Plan forecasts
- Provisional projections and Master Plan base forecast may align between 2023 and 2025

Sources: City of Austin Department of Aviation, Landrum & Brown, Paslay Management Group Analysis



Event Implications



Million Annual Passengers	17.3	- ^c	17	25	30
Peak Hour Passengers	2,190	- ^c	2,200	3,700	4,500
Airline Gates Required	42 ^a	- ^c	42	45	54
SSCP Screening Lanes	17	- ^c	17	26 ^d	34 ^d
CBIS Throughput	2,213 ^b	- ^c	2,213 ^b	2,822 ^b	3,649 ^b
Domestic Bag Claim Devices	7	- ^c	7	9	11 ^c
Int'l Bag Claim Devices	1	- ^c	1	2	2

Notes:

- a. Includes airline requested additional 6 gates in January 2020
- b. Source Whiting-Turner, March 12, 2020

- c. Should be determined at or near the event conclusion
- d. Source LeighFisher December 2019

Event Implications

Phase A Renovate Barbara Jordan Terminal

These projects serve immediate needs and enable future improvements

- Fill in Atrium for new ticket counters
- Initiate long-term BHS improvements
- West concourse expansion
- FIS baggage claim improvements
- Braided Left Turn Airport Exit
- South Terminal/Remote west gates

Phase B New Airside Concourse

This phase includes a combination of enabling infrastructure projects and capacity enhancements

- Terminal Apron expansion
- New 20-Gate Concourse
- New Midfield Cross Taxiways
- New drainage infrastructure
- New Central Utility Plant capacity
- New Taxiway D

Phase C Expand Barbara Jordan Terminal

This phase primarily provides capacity enhancements

- Barbara Jordan Terminal Expansion
- Existing Central Utility Plant Expansion
- Upgrade Utility Infrastructure
- BJT Apron Hydrant Fueling System



Strategy for Phase A Projects



Strategy for Phase A Projects

Project Need and Justification

- Ticket counter availability is a scarce resource and latent demand likely to remain in the near-term
- Project implementation and coordination will benefit from lower passenger activity
- Implementation enables future anticipated gate capacity and terminal improvements

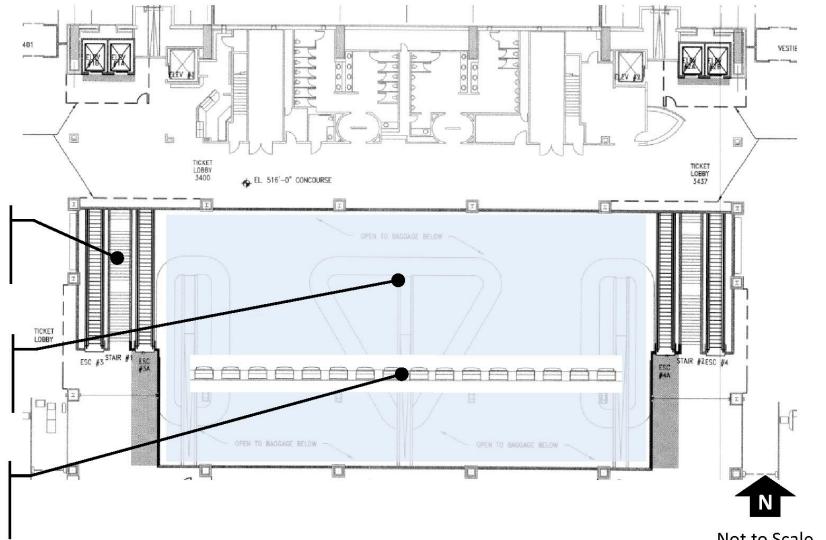
Scope Summary

- Provide additional ticket counters at concourse level by constructing new floor over baggage claim atrium
- Install bag takeaway conveyors behind new ticket counters
- Potential cross-connect of the east and west CBIS matrices

Stairs and
escalators remain

Construct new floor
over bag claim

15-20 new ticket
counters



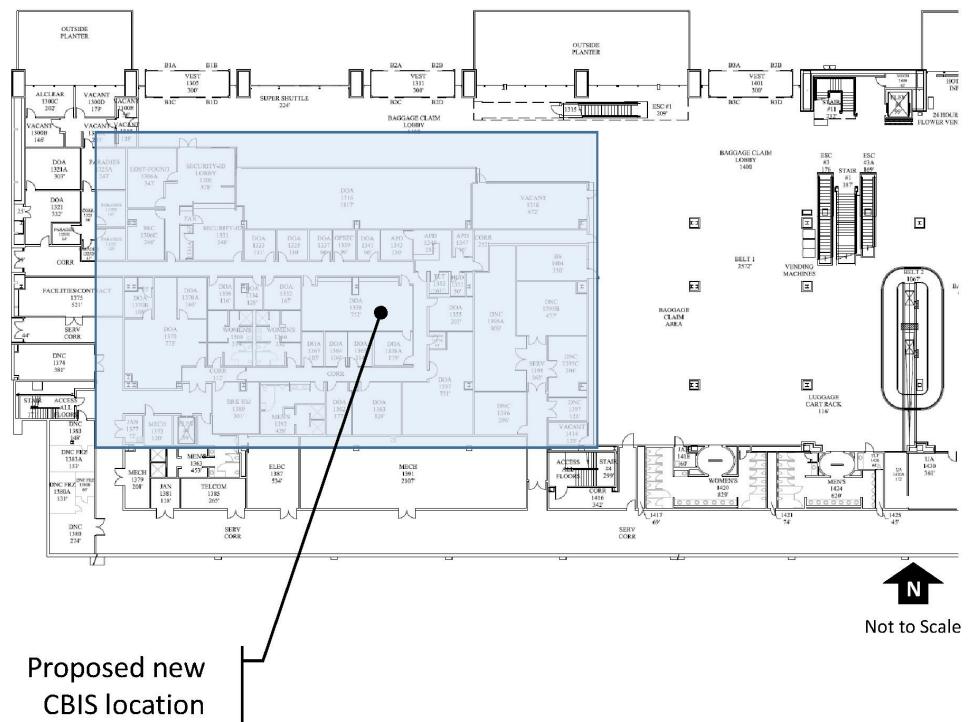
Strategy for Phase A Projects

Project Need and Justification

- CBIS operational outages continue to cause service issues
- Project is underway with a Design-Build Team
- Implementation addresses operational issues and facilitates future passenger activity growth
- Consider implementing near-term solutions at this time and planning/coordinating design to facility future terminal expansion

Scope Summary

- Near-term improvements to improve system reliability and throughput
- Long term development of new CBIS in a permanent location



Strategy for Phase A Projects

Project Need and Justification

- Displacement of the South Terminal by the Midfield Cross Taxiways requires new bus facilities in the Barbara Jordan Terminal to maintain current South Terminal operations
- Traffic slowdown call in to question the near-term demand for South Terminal gate capacity
- Consider delaying project until gate capacity requirements can be assessed

Scope Summary

- Provide either a concourse extension or apron-level bus depot
- Concourse extension would provide net 2 additional contact gates

Concourse Extension

Net 2 additional gates



Apron-Level Bus Depot

Bus route



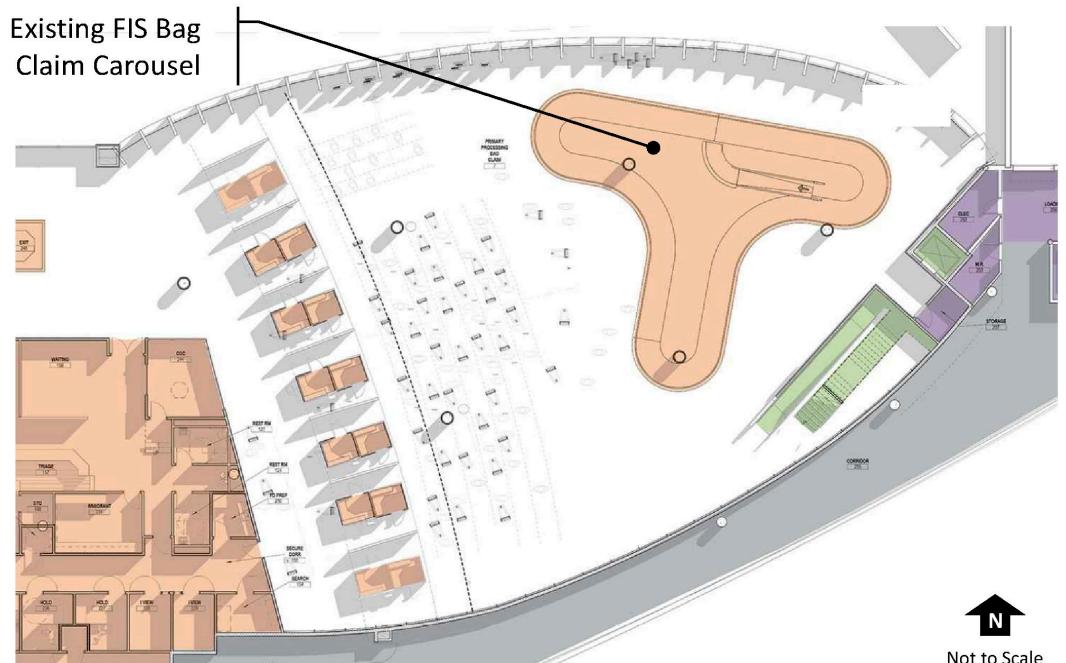
Strategy for Phase A Projects

Project Need and Justification

- Multiple simultaneous international arrivals cause congestion on a single claim device
- Project should be considered for delay based on reduced near-term international airline service

Scope Summary

- Replace single large triangular claim device with two smaller claim devices



Project Need and Justification

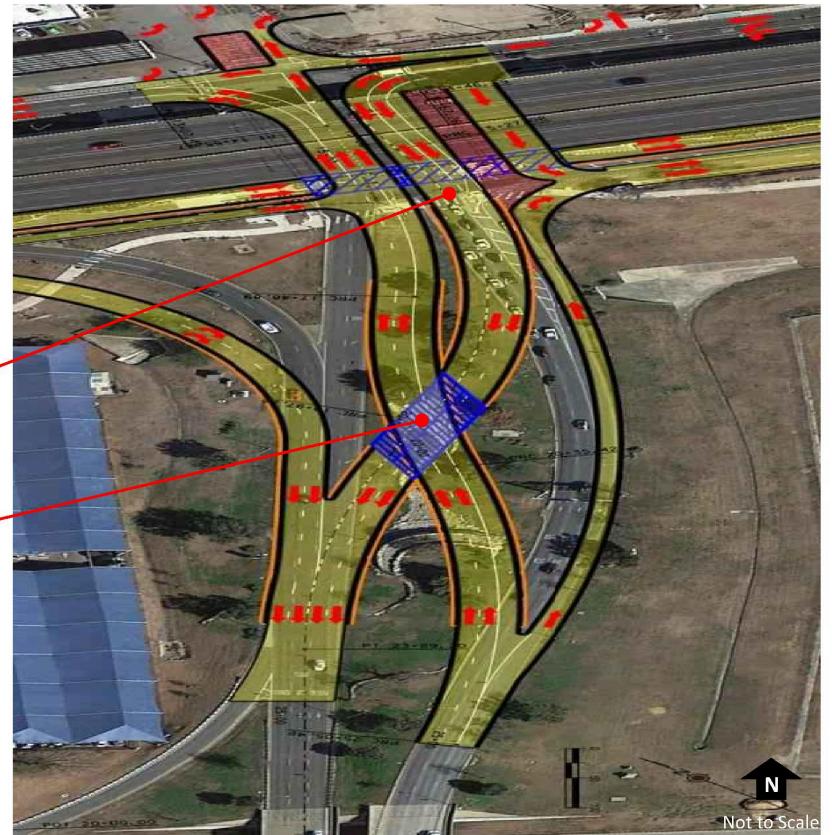
- Project needed to reduce congestion for existing airport traffic
- Project implementation and coordination will benefit from lower passenger activity
- Project should proceed to design

Scope Summary

- New bridge to allow crossing of arrival and departure roads
- Reconfigured service road and SH71
- New airport exit route for traffic departing north parking revenue control plaza

Exit traffic signal eliminated

Grade-separated crossover bridge

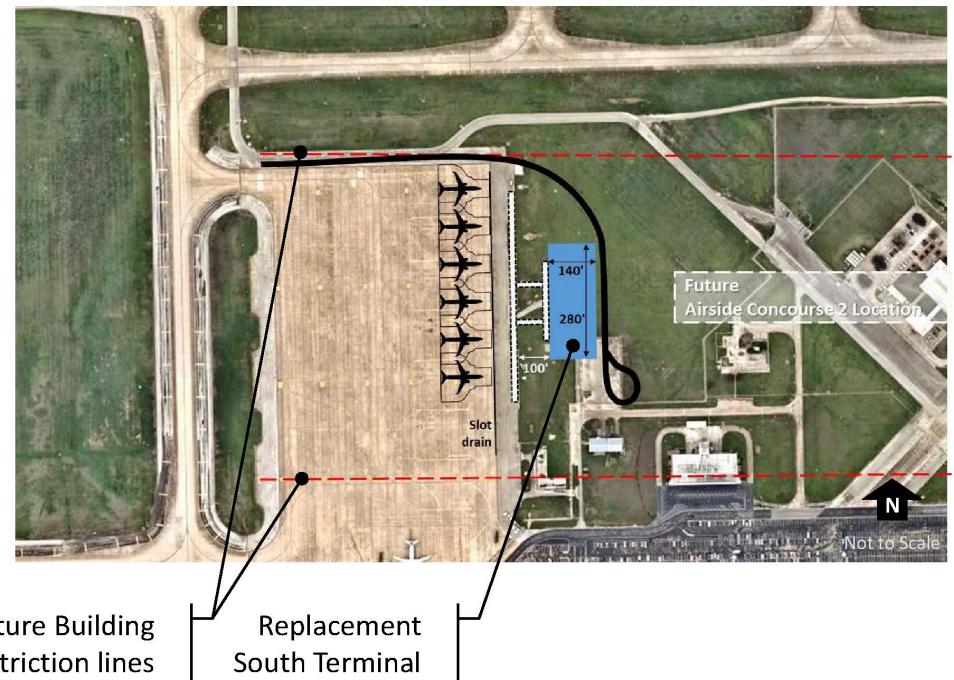


Project Need and Justification

- Displacement of the South Terminal by the Midfield Cross Taxiways eliminates three ground-load gates
- Projected activity declines in 2020 call in to question the need for this incremental gate capacity
- Consider delaying project until gate capacity requirements can be assessed

Scope Summary

- New ~35,000 s.f. ground-load terminal with awnings and bus drive
- New slot drain on ramp for potential spill capture
- Associated drainage and utility improvements



Strategy for Phase A Projects

Project	Purpose and Need	Effect of Activity Slowdown	Delay Considerations
Fill in Atrium for new ticket counters	Provide new ticket counters and enable future terminal expansion	Given previous latent demand, additional capacity will be needed	Continue with implementation; would be significantly easier to implement during lower activity
Initiate long-term BHS improvements	Address current operational and capacity issues; prepare for future traffic growth	Lower checked baggage demand will result in fewer system outages; system remains below standards	Implement near-term recommendations and hold on long-term solution
West concourse expansion	Accommodate bus service to new South Terminal	Need for concourse expansion depends on projected gate requirements and near-term South Terminal demand	HOLD on this project until need for South Terminal gates can be quantified
FIS baggage claim improvements	Accommodate multiple simultaneous international arrivals	Likelihood of multiple simultaneous arrivals in the near term has decreased	HOLD on this project until a rebound in international service can be quantified
Braided Left Turn Airport Exit	Reduce traffic congestion at Airport exit	Airport exit traffic congestion has decreased in the near term	Continue with implementation; would be significantly easier to implement during lower activity
South Terminal/Remote West Gates	Provide replacement capacity for South Terminal	Demand for South Terminal gate capacity and/or additional demand remote gate demand questionable	HOLD on this project until need for South Terminal gates can be quantified

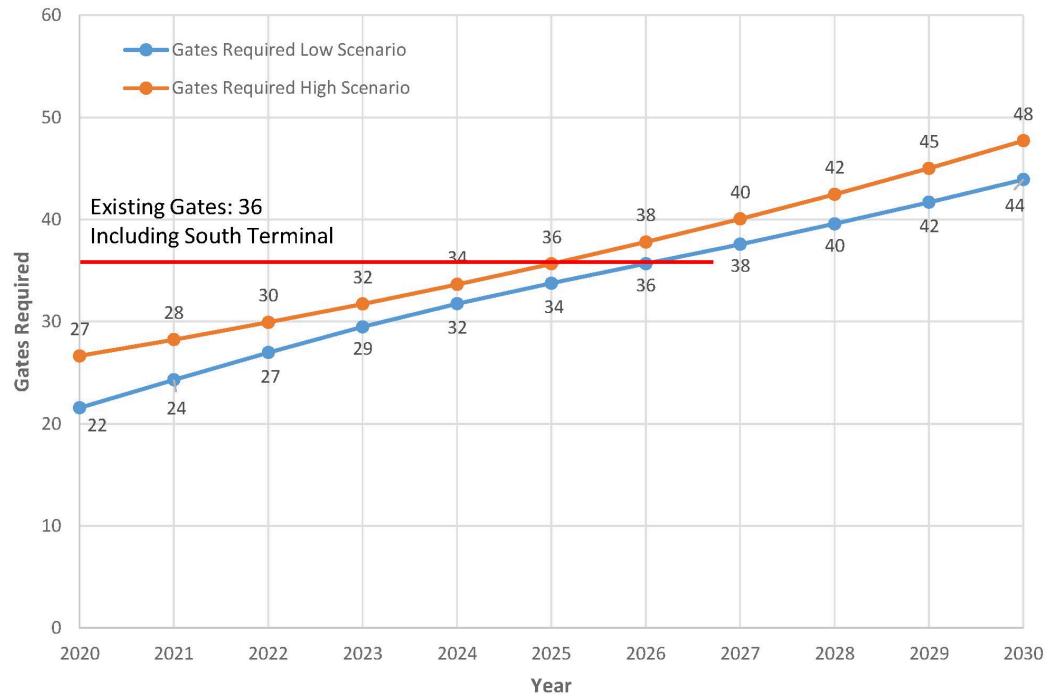


Strategy for Phase B Projects



Strategy for Phase B Projects

- Current analysis indicates existing gate capacity could meet demand through the year 2025 or 2026 (should be reevaluated following conclusion of the event)
- By 2030, an additional 8-12 contact airline gates would be needed
- This scenario indicates that new gate capacity should be brought on line in the 2027 time frame



Source: Paslay Management Group Analysis

Enabling projects for Phase B include:

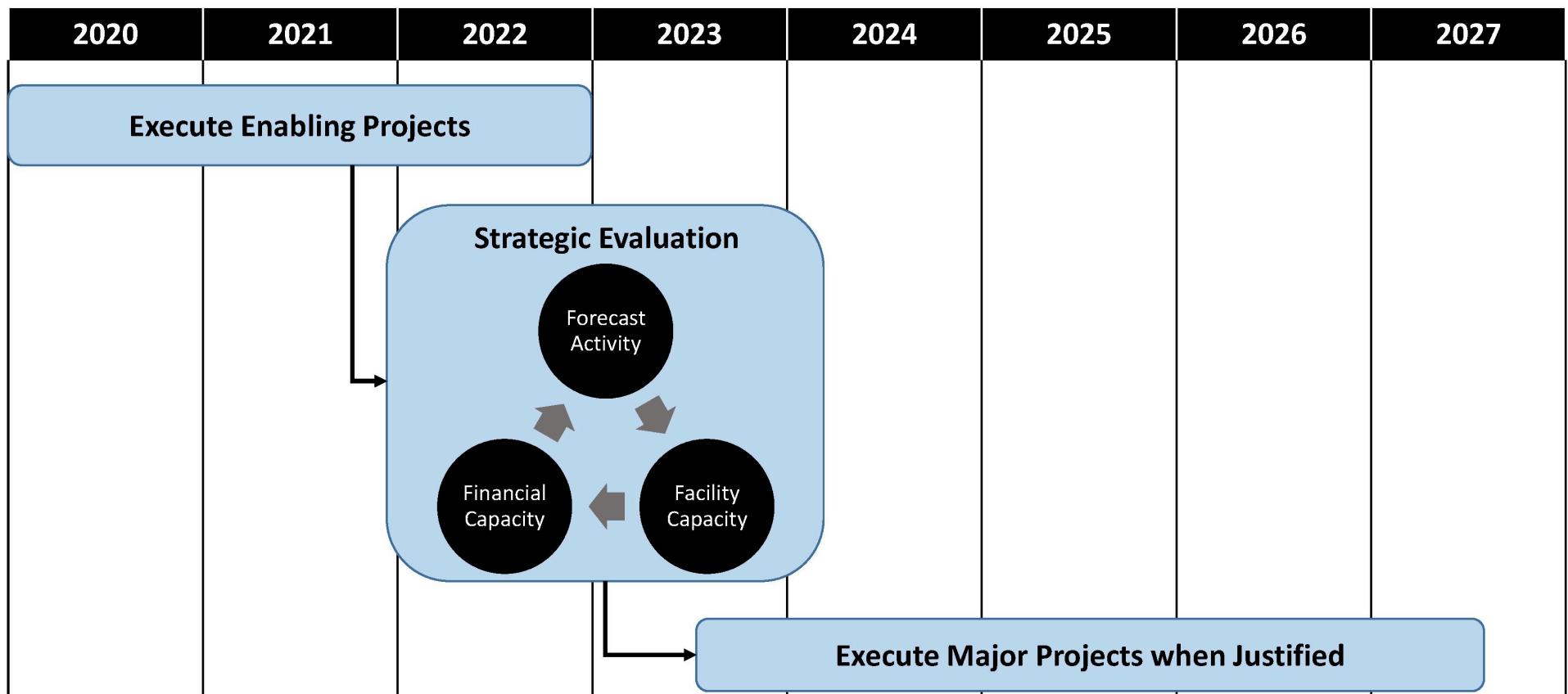
- FAA Letter of Intent – *Establishes FAA level of funding*
- Environmental Assessment – *Required NEPA action*
- Site Development Permitting – *Required City of Austin action*
- Central Utility Plant PER – *Needed to establish most favorable CUP approach*
- Midfield Concourse PDD – *Advanced planning to enable concourse design*
- Stormwater Drainage Master Plan – *Identifies needed drainage improvements*
- Utility Master Plan – *Identifies needed utility improvements*



- **New Central Plant capacity**
- **Drainage infrastructure improvements**
- **Utility infrastructure improvements**
- **Demolish south buildings**
- **West Airfield Taxiway Improvements**
- **New Midfield Cross Taxiways**
- **New Midfield Concourse**



Strategy for Phase B Projects



- **Prior to the global pandemic event, AUS was significantly behind in gate capacity**
 - Latent demand included airline requests for 6 additional gates in January 2020
 - Following the event, it is assumed that there will be available capacity of 9-14 gates
- **Prior program schedule required stopgap measures to meet gate capacity need**
 - West concourse expansion
 - Potential remote gates and busing operation
- **The projected reduction in passenger activity from the event ‘will likely’ eliminate the need for stopgap measures and reduce near-term construction replacement projects to meet demand/capacity**
- **Significant infrastructure enabling projects still must be completed prior to bringing new gate capacity projects on line**
- **AEP schedule anticipated new gate capacity (midfield concourse) in mid-2026, corresponding to the current, projected need for additional gates**
- **Proceeding with the Phase B enabling projects is the recommended course of action**
- **Hold on Phase B capacity projects until justified by demand and financial analyses**

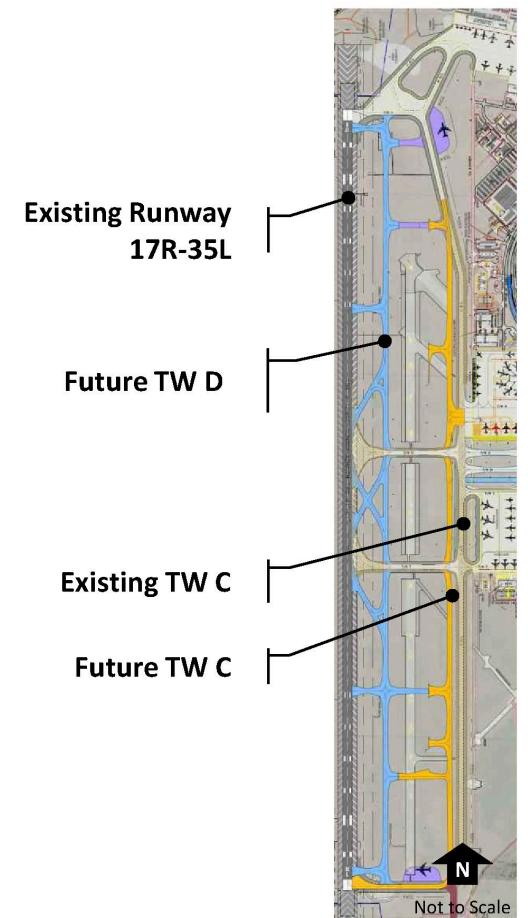


Project Need and Justification

- West airfield taxiways are critical to access Runway 17R-35L as well as air cargo and the Texas Air National Guard
- Existing Taxiway C is original Air Force pavement which is in poor condition
- Construction of new Taxiway D can be executed independently, allowing Runway 17R-35L and Taxiway C to remain in operation during construction
- In the long term, a Taxiway C can be replaced in its permanent location

Scope Summary

- ~300,000 s.y. of Portland Concrete Cement
- Asphaltic concrete paved shoulders
- Pavement marking and edge lighting
- New airfield signs
- TW C filet intersection improvements at Cargo
- TW C filet intersection improvements at south end
- TW C Remill/resurface asphalt shoulders (\$5M add)
- RW 17R-35L remove blast pads, replace with 200' new blast pads (\$2.5M add)
- New midfield maintenance access road (\$2.5M add)



Strategy for Phase B Projects

Project Need and Justification

- Existing Central Utility Plant is at capacity and cannot serve further expansion of the Barbara Jordan Terminal or the new Midfield Concourse
- A Preliminary Engineering Report will be prepared to determine the optimal CUP capacity strategy, which could include expanding the existing CUP and/or constructing a second CUP to serve the Midfield Concourse

Scope Summary

- Scope to be determined by the PER



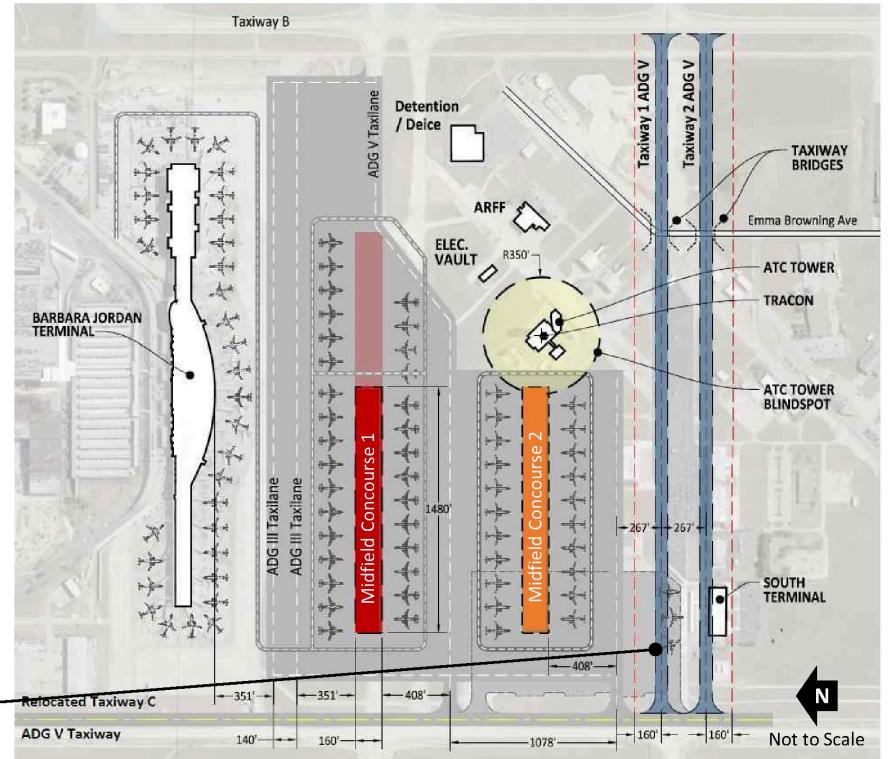
Project Need and Justification

- Existing Taxiways G and H will be displaced by the terminal apron expansion and new Midfield Concourse
- Bi-directional cross-airfield access is required to enable efficient aircraft movement to all operating areas
- A Preliminary Engineering Report has determined the optimal replacement taxiway locations are on an alignment that will allow for development of future Midfield Concourse 2
- The new Midfield Cross Taxiways must be constructed and operational prior to beginning construction of the Midfield Concourse

Scope Summary

- ~70,000 s.y. of Portland Concrete Cement
- Asphaltic concrete paved shoulders
- Pavement marking and edge lighting
- New airfield signs
- Taxiway bridges over Emma Browning Avenue
- Drainage

New Midfield Cross Taxiways

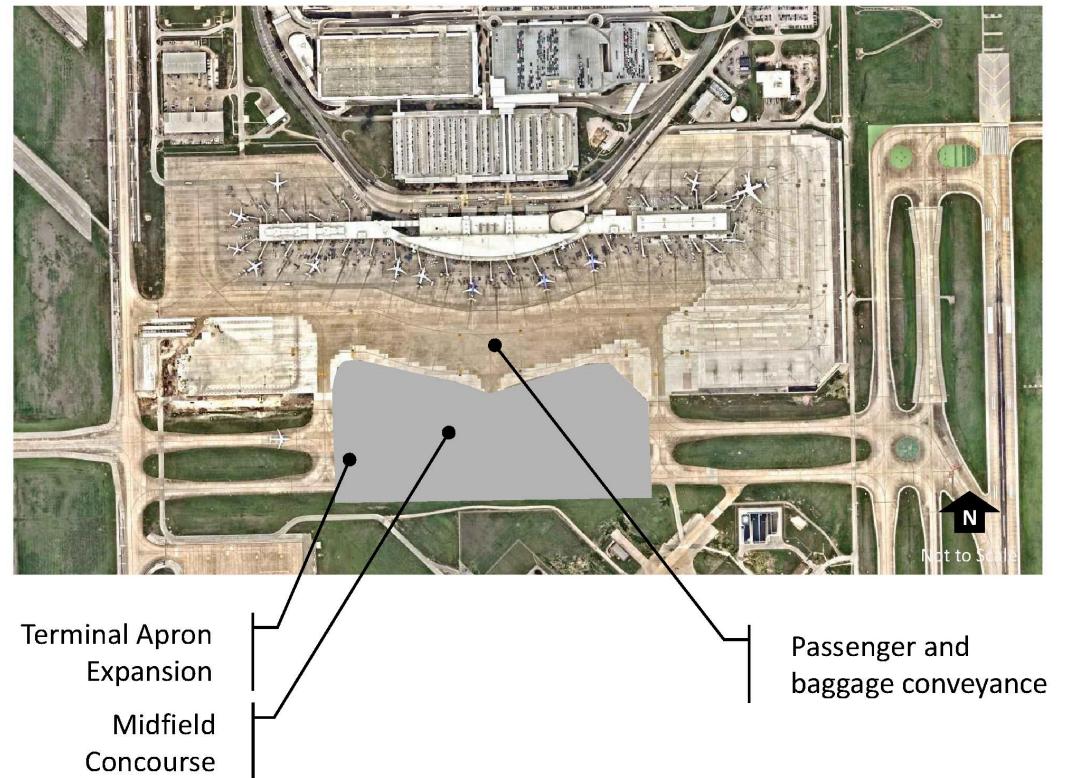


Project Need and Justification

- Current projections indicate a need for new contact airline gates by 2027
- Master Plan recommended additional gate capacity provided by a new Midfield Concourse
- Terminal Apron expansion is needed to accommodate Midfield Concourse
- Scope of the package should be determined during strategic evaluation

Scope Summary

- Apron expansion, size TBD
- Midfield Concourse, number of gates TBD
- Below grade passenger and baggage conveyance tunnel

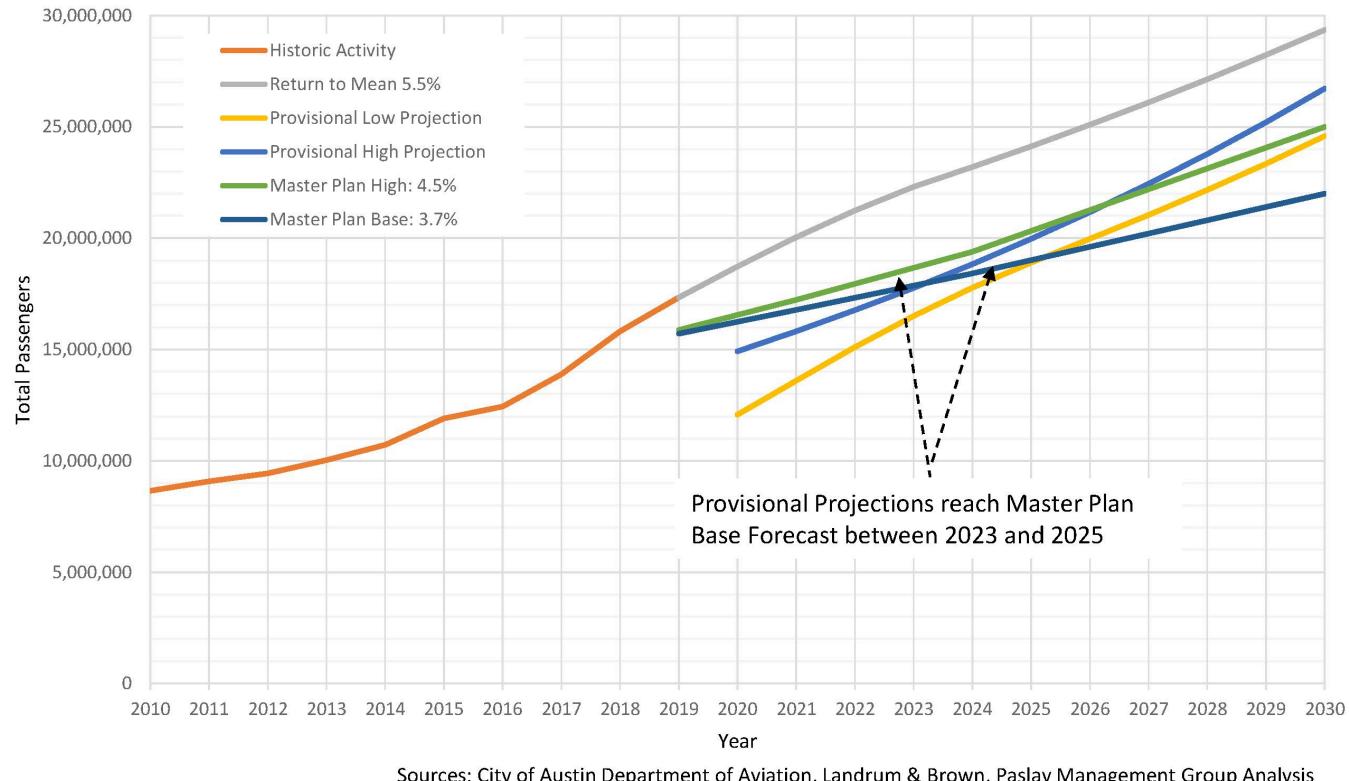


Strategy for Phase C Projects



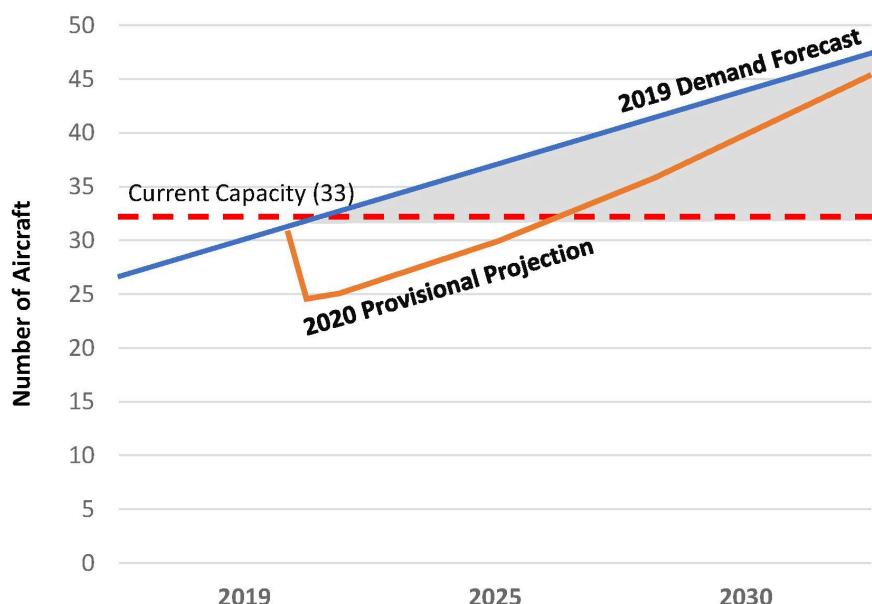
Strategy for Phase C Projects

- A “Return To Mean” projection was the previous baseline for program planning
- The global pandemic will have the effect of establishing a lower baseline for growth
- A provisional high and low projection has been generated for analysis purposes
- With a lower baseline, the provisional projections indicate that AUS passenger activity will reach Master Plan base forecast levels prior to 2026 (perhaps as early as 2023) and will subsequently exceed the Master Plan forecast
- Projections should be revisited as the event impact subsides and periodically thereafter



Strategy for Phase C Projects

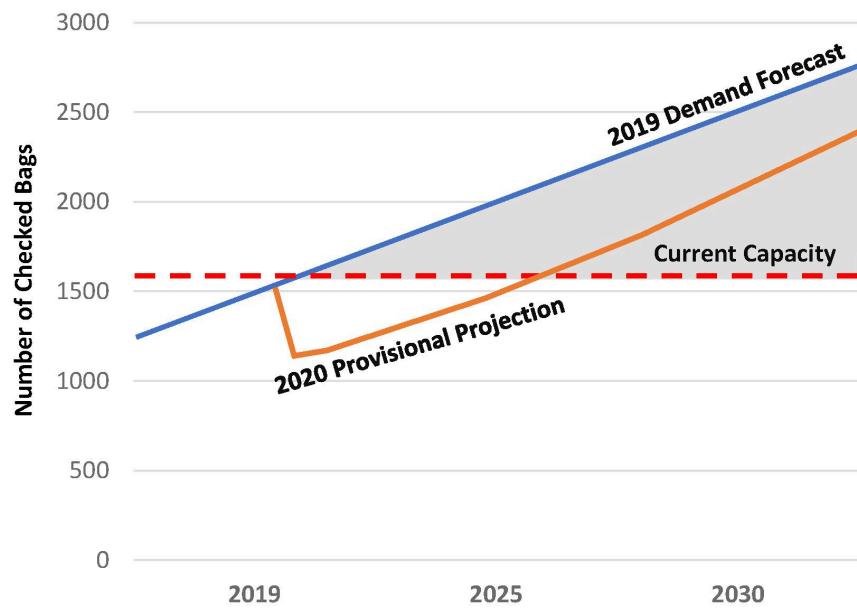
Gate Requirements



Notes

- Based on two-hour peak period flight schedule
- Excludes the South Terminal

Outbound Baggage Requirements



Notes

- Practical capacity estimated at 80 percent of theoretical capacity for 2025 time period



- **Prior implementation of Phase A improvements will extend the capacity and capability of the Barbara Jordan Terminal**
 - Atrium infill facilitates additional ticket counters and security screening capacity
 - Checked baggage system improvements will enhance capacity and minimize system outages
 - The actual capacity gained should be evaluated and monitored
- **Peak hour passenger demand will drive the need for additional curb, check in, security screening, and baggage claim capacities**
 - Provisional activity projections indicate ~25 MAP in 2030, corresponding to 3,600 peak hour enplaned passengers
 - A preliminary recommendation is that additional terminal capacity may be needed around 2030, therefore, the expansion potentially could be delayed until the late 2020s



- **Barbara Jordan Terminal Expansion**
- **New Terminal Curbside Roadways**
- **Pedestrian Bridge to Blue Garage and CONRAC**
- **Central Utility Plant Expansion**
- **Upgrade Utility Infrastructure**
- **Apron Hydrant Fueling System**



Conclusions and Recommendations



- **Austin air passenger activity will recover with the economy and continue to be an attractive market for the airlines**
- **At a high level, the traffic slowdown could set activity levels back by about 5 years**
 - Previous unmet demand will decline and requirements can now be met in a more strategic and methodical manner
 - A temporary slowdown in passenger activity could provide needed facility capacity relief, allowing AUS to implement enabling projects more easily and with lower cost
- **Numerous airports have executed improvements during slower economic conditions**
 - Passenger disruption can be diminished
 - Potential construction market/cost advantages
 - Community benefits from airport investment in local economy
 - Ability to leverage Federal infrastructure funding and/or access to capital



- **Lower air passenger demand provides an opportunity to establish an enabling platform for future growth**
 - Near-term projects will be needed for operational capability as traffic returns
 - Enabling projects can be implemented without impacting program critical path
- **Redefine AUS expansion program based on financial capacity and need**
 - Financial capacity should remain a key driver for program execution
 - Requirements and need will be different in the near term and require reevaluation
- **Establish project priority**
 - Projects that have more immediate utility should continue to be implemented
 - Projects providing capacity should be subject to further evaluation and justification prior to implementation

Conclusions and Recommendations

Phase A Renovate Barbara Jordan Terminal

Continue Implementation

Fill in Atrium for new ticket counters
Initiate long-term BHS improvements
Braided Left Turn Airport Exit

Hold for Further Evaluation

West concourse expansion
FIS baggage claim improvements
South Terminal/Remote west gates

Phase B New Airside Concourse

Continue Implementation

Enabling actions, analyses, and studies
New drainage infrastructure
New utility infrastructure

Hold for Further Evaluation

Terminal Apron expansion
New 20-Gate Concourse
New Midfield Cross Taxiways
New Central Utility Plant capacity
New Taxiway D

Phase C Expand Barbara Jordan Terminal

Hold for Further Evaluation

Barbara Jordan Terminal Expansion
Existing Central Utility Plant Expansion
Upgrade utility infrastructure
BJT Apron Hydrant Fueling System

